

RESOLUTION 2018-034 PASSED: MARCH 26, 2018

AUTHORIZING AN AGREEMENT WITH THE STATE OF ILLINOIS FOR A COOPERATIVE PURCHASE OF 3,500 TONS OF ROAD SALT FOR THE 2018-2019 SNOW SEASON IN AN AMOUNT NOT TO EXCEED \$220,000.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

Section 1: That the Mayor of the City of DeKalb be authorized to execute the attached Joint Purchasing Requisition, substantially in the format attached hereto as Exhibit A, subject to such changes as shall be acceptable to him with the recommendation of the City Manager. The City Council thereafter agrees to comply with such requisition and to budget and appropriate such funds as shall be necessary to comply therewith.

Section 2: That the City Clerk of the City of DeKalb be authorized and directed to attest the Mayor's signature.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 26th day of March, 2018, and approved by me as Mayor on the same day. Passed by an 8-0 Omnibus roll call vote under the Consent Agenda. Aye: Jacobson, Finucane, Marquardt, Fagan, Noreiko, Verbic, Faivre, Smith. Nay: None.

ATTEST:



SUSANNA HERRMANN, City Clerk



JERRY SMITH, Mayor





ILLINOIS

JOINT PURCHASING REQUISITION CY'18-'19 New Purchase Commitment

PLEASE RETURN TO:
Illinois Department of
Central Management Services
801 Wm. G. Stratton Building
401 S. Spring Street
Springfield, IL 62706

Email Address for submission:
CMS.BOSS.EC@illinois.gov

 No Thank You,
But keep on mailing list.

Opt-Out-> Our unit does not want to participate in the CY' 2018-2019 Contract Procurement.
Notice-> Please complete and return the Contact information below to remain on the mailing list.

Joint Purchasing #: L1390-1390

Government Unit: City of DeKalb

Mailing Address: 1316 Market St.

City / State / Zip: DeKalb, IL 60115

County: DeKalb

Contact Person: Andy Raih

Telephone Number: 815-748-2040

Fax Number: 815-748-8145

Contact Email: andy.raih@cityofdekalb.com

Date: 03 / 07 / 2018

Delivery Point
(Provide Delivery Details To Contract) (Vendor At Time Of Order Placement)
City of DeKalb Street Division 1316 Market St. DeKalb, IL 60115
<- Please provide Email Address

***** Participant, Complete Only One - Either "Table-A" or "Table-B" Below *****

Table A: Complete this table to have the State "SOLICIT BIDS" for your governmental entity		
ITEM DESCRIPTION	BID QUANTITY	UNIT MEASURE
<u>AASHTO M143 Road Salt or Equivalent</u>	<u>(Total Tonnage)</u>	<u>(22 - 25 Ton / Truck)</u>
Rock Salt, Bulk	<u> 3,500 </u>	T o n s
Please note your Purchase Commitment Percentage for Total Tonnage Quantity as stated above (choose one):		
OPTION 1 <u> X </u> 80.% minimum purchase requirement/120% maximum purchase requirement		
OPTION 2 <u> </u> 100% minimum purchase requirement/120% maximum purchase requirement		

***** Participant, Complete Only One - Either "Table-A" Above or "Table-B" Below *****

Table B: Complete this table to have the State "RENEW" Requirements for your governmental entity		
ITEM DESCRIPTION	QUANTITY	UNIT MEASURE
<u>AASHTO M143 Road Salt or Equivalent</u>	<u>(Total Tonnage)</u>	<u>(22 - 25 Ton / Truck)</u>
Rock Salt, Bulk	<u> _____ </u>	T o n s
Note: Renewal is available ONLY under Contracts PSD 4018455, 4018456, and 4018457 for prior CY' 2017-2018. Your quantity may not exceed more than a 20% increase of last season's quantity, and price cannot increase more than 10.% of last season's price. Other Terms & Conditions of Contract will remain the same as last year. Please Check Contract # Below: Note Your Current CMS Contract: PSD 4018455 () -or- PSD 4018456 () -or- PSD 4018457 ()		

I certify that funds are available for the purchase of the items on this Requisition and that such items are for the sole use of this governmental unit, and not for personal use of any official or individual or re-sale.

In addition, I agree to abide by the Joint Purchasing Procedure established by the Department of Central Management Services.

SIGNATURE OF AUTHORIZED OFFICIAL OR AGENT

Printed on Recycled Paper

TITLE

Mayor



MEMORANDUM

TO: Local Governmental Units Authorized to Participate in Joint Purchasing

FROM: Lance Traynor, Strategic Sourcing Manager,
Bureau Of Strategic Sourcing, Commodities & Equipment

DATE: March 05, 2018

SUBJECT: Deadline for Submission of Bulk Rock Salt (Sodium Chloride)-(Road Salt)
Requirements for the 2018 - 2019 Winter Season

Action Required!

The State of Illinois, Bureau of Strategic Sourcing is planning to solicit bids for Rock Salt, Bulk for highway ice control (Road Salt) in May or June of 2018 for the 2018 - 2019 Winter Season.

Additionally, existing contracts (**PSD 4018455, 4018456, and 4018457**) contain a renewal option at the sole option of the State. Therefore, if you are a participant within one of these contracts and if your community's intention is to renew, then this must be identified.

If your unit of government desires to be included in this year's contract re-procurement solicitation, or wishes to renew one of the existing contracts with a renewal option, **you are required to complete the copy of the attached Joint Purchasing Requisition Form** and return it to the Bureau Of Strategic Sourcing no later than **5:00 P.M. April 01, 2018**. Your choice is to "SOLICIT BIDS" or "RENEW" or "not be an active participant" in the State's procurement efforts for the 2018 - 2019 Season. **Note: Timeframe for submission is firm, and will not be extended.**

The "RENEW" Renewal Process - Utilize Table B

If your governmental entity is a participant under one of the following CMS Contracts - (**PSD 4018455, 4018456, and 4018457**) - and upon receipt of your stated **desire to RENEW** with your updated tonnage quantity requirements, the State will work to finalize renewal on behalf of your governmental entity. Should you choose to renew, all Terms and Conditions shall remain the same as in the present contract, and you will be able to re-state your desired quantities (with cap on quantity increase not to exceed 20.% more than your past year's quantity). **Complete Table B** (only) to indicate your intent to renew and state your desired quantity requirements.

Note that a **Renewal Option** is **not available** under current contracts (**PSD 4018284, 4018285, and 4018286**) and you should **complete Table A** (only) to indicate your intent to participant, and state your quantity requirements for re-establishment of competitively bid new contract(s) for the 2018 - 2019 Season.

The "SOLICIT BIDS" ReBid Procurement Process - Utilize Table A

Should a renewal option not exist, or should you wish to participate in the State's bid process for the 2018 - 2019 Season, complete **Table A** (only) to indicate your intent to participate in the bid process, your minimum purchase requirement, and your desired bid quantities as 100.% of your contract commitment.

The State seeks to combine the needs of hundreds of governmental entities across Illinois into a single bid document in an effort to consolidate buying power, and to make it easier for vendors to respond to the individual needs of those hundreds of communities through a single bid response. Award is to the lowest responsible bidder meeting the terms and conditions of the bid solicitation. A single contract is completed for each vendor for all locations awarded through the competitive process. Thereafter, each governmental unit places its own orders with their vendor in compliance with the contract terms and conditions, and is responsible for direct payment to their contract vendor.

CMS does not set pricing, nor does CMS buy salt for resale. Vendors offer pricing under a competitive bid process, in accordance with the Illinois Procurement Code and Rules and the Illinois Joint Purchasing Act. CMS strives to utilize a consistent approach, to the greatest degree possible, in seeking to achieve a highly competitive bid process.

Anticipated Terms – for the 2018 - 2019 Solicitation

This section applies to those units of government participating in the joint purchase of rock salt contract solicitation. Renewing entities will be governed under the existing contract(s). All participants will be required to abide by the respective contract terms and conditions. The major terms for the upcoming season are expected to be as follows:

1. Rock Salt, Bulk specification shall be in accordance with AASHTO Specification M143, Sodium Chloride (Road Salt) Type 1, Grade 1, or an acceptable approved alternate.
2. Quantities shown in the invitation for bid are estimates only. The total ton quantity submitted shall be considered sufficient to service the seasonal needs of the local governmental unit, and may be adjusted as stated herein.
3. The purchase percentage agreement is consistent with last season's bid. We are asking local government to identify their purchase percentage commitment (choose one) on the Requisition Form. (**Table-A Option**)
 - 3.a. When submitting Rock Salt (Road Salt) estimated usage for next winter, local governmental unit shall agree to purchase at least 80.% of the amount; and the vendor shall agree to furnish not less than 120.% of the awarded tonnage amount. (Please make selection on Requisition Form)
 - OR**
 - 3.b. When submitting Rock Salt (Road Salt) estimated usage for next winter, local governmental unit shall agree to purchase at least 100.% of the amount; and the vendor shall agree to furnish not less than 120.% of the awarded tonnage amount. (Please make selection on Requisition Form)
 - 3.c. Each governmental unit is responsible for ensuring that the guaranteed purchase requirement is met before the end of the season (**June 30, 2019**).
4. Each governmental unit shall be responsible for issuing their own purchase orders against the resulting contract.
 - 4.a. **Governmental units are strongly encouraged to order early and to store as much salt as possible in order to help prevent potential salt shortages.** Governmental units need to make every effort to place orders in full truckload quantity of (22 - 25 tons). Requests for a quantity of less than a truckload will not be accepted.

4.b. Local governmental units reserve the right to purchase up to 50.% of the total award requirements prior to November 30, 2018 and the vendor shall notify each delivery point in advance of when shipment is to begin.

4.c. Vendors shall accept orders at any time during the period from the date of contract issue through the last day of the contract, or as mutually agreed upon by the vendor and contract participant.

5. Deliveries shall be accepted only on regular work days (Monday through Friday and excluding all State holidays) during regular work hours (7:30 a.m. to 4:00 p.m.), except when special arrangements have been made in advance with an appropriate agency or governmental representative at the delivery site.

All truck loads shall be covered with an approved weatherproof material, and all deliveries shall be Pre-Paid F.O.B. Destination as stated in the order document.

Truckloads containing foreign material such as mud, rocks, etc., may be rejected at the delivery site, and a replacement shipment scheduled by the contract vendor.

The State and Local Governmental Units reserve the right to require that some trucks occasionally be directed to a scale in the vicinity of the delivery point as a check on delivered truckloads.

Deliveries are to be made as soon as possible after receipt of an order, maximum time from receipt of an order placed by local governmental units after December 1.st shall not exceed seven working days, or as modified by Contract Order Guidelines.

Each governmental unit shall be responsible for the processing of vendor invoices in a timely manner to ensure prompt payment is made directly to the vendor.

6. CMS intends to continue to include a liquidated damages clause similar to the following:
From December 1, 2018 thru April 1, 2019; if the vendor is unable to make delivery within the required working days, governmental units shall have the right to assess and retain a specified amount per ton per calendar day as liquidated damages on the undelivered portion of the order. If after seven days of liquidated damages, the vendor has still failed to deliver as required, governmental units shall reserve the right to take action to remedy the failure of vendor performance in accordance with the contract.
7. For contract performance protection, the State will secure a performance bond from the contracted vendor, valued at 20.% of the total of the contract award dollar value.
8. In December 2018 the contract vendor(s) shall be required to have stockpile(s) in place located in or near Illinois covering 100.% of the total tonnage awarded for the northern regions of the State, and in January of 2019 the stockpile(s) located in or near Illinois covering 100.% of the tonnage awarded for all other regions of the State.
9. The contract price shall remain firm for the entire contract period up to the maximum 120.% guaranteed limit. Local governmental unit requirements over the maximum 120.% purchase threshold will be supplied by the vendor upon mutual agreement of the parties.

In the case of an emergency, efforts shall be made to have the vendor ship enough salt to aid affected local governmental units through the emergency situation.

2016 - 2018 Season Retrospective

A competitive bid process, essentially unchanged from previous years, was used in the solicitation to meet statewide requirements for over 850 individual participants. This season salt re-procurement did not incur the challenges experienced in the 2014-2015 season and all requirements were fulfilled at bid prices much lower than the weighted average in the prior season.

This is an Opt-in Process

Participation in the State's procurement process for Rock Salt (Road Salt) is **voluntary**, an opt-in process. CMS has no method to ensure vendor participation, nor control pricing that vendor's offer in the competitive bid process.

Local Communities are not inhibited nor restricted from seeking bids independently should they choose to do so. However, **by indicating** through this requisition process **your desire to either "RENEW" or to "SOLICIT BIDS"** in the upcoming bid process, **you are committing your entity's participation**. The State will act in accordance with your submitted requisition.

We ask that you give immediate attention to this matter and allow reasonable mailing time or fax response submittal to ensure that we receive your salt request prior to the deadline. Be sure to include current contact information as requested, including a contact Email Address, for future correspondence. Return your Joint Purchasing Requisition via **Email** as stated below no later than **5:00 p.m. on April 01, 2018**. (**Deadline is firm**, and will not be extended.)

We thank you for your consideration and welcome your participation in the upcoming bid. Any questions you have in completing the form or concerning the rock salt bid/contract can be directed to the following:

Wayne Ilsley, CPPB, Buyer
Department of Central Management Services
Bureau Of Strategic Sourcing – Commodities & Equipment
Room 801 William G. Stratton Office Building
401 South Spring Street, Springfield, IL 62706
Phone: (217) 782-8091 Fax: (217) 782-5187
Email Address for submission:
CMS.BOSS.EC@illinois.gov